



Billing Code: 8025-01

## SMALL BUSINESS ADMINISTRATION

Privacy Act of 1974: Revision of Privacy Act System of Records

AGENCY: Small Business Administration (SBA)

ACTION: Notice of Revision of Privacy Act Systems of Records

SUMMARY: SBA is updating the Privacy Act Systems of Records for (i) the Loan System, SBA 21 ("SOR 21") and (ii) the Suspension and Debarment Files, SBA 36 ("SOR 36") to incorporate a comment received in response to the March 16, 2012 notice published in the Federal Register, and is updating both SORs to provide for a successor system to GSA's Excluded Parties List System referenced in the SORs. SBA is also revising the Privacy Act System for SOR 21 to add two new routine uses. This notice is in accordance with the Privacy Act requirement that agencies publish their amended Systems of Records in the Federal Register when there is a revision, change or addition to the systems.

DATES: Written comments on the revisions to the SBA's SOR 21 and SOR 36 Systems of Records are due **[INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]**. The changes to these Systems of Records are effective without further notice on **[INSERT DATE 45 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]** unless comments are received that result in further revision. Based on SBA's review of comments received, if any, SBA will publish a notice if it determines to make changes to the system notices.

ADDRESSES: Written comments on the revisions to the SBA's SOR 21 and SOR 36 Systems of Records should be directed to Ingrid Ripley, Program Analyst, U. S. Small Business Administration, 409 3rd Street, SW, Washington, DC 20416. When submitting comments please identify whether comments are related to SOR 21 or SOR 36.

FOR FURTHER INFORMATION CONTACT: Ingrid Ripley, Program Analyst, (202) 205-7538.

SUPPLEMENTARY INFORMATION: SBA is amending its Privacy Act System of Records, notice of which was previously published at 74 FR 14890 (April 1, 2009) and 77 FR 15835-01 (March 16, 2012), to update System 21 (Loan System) and System 36 (Suspension and Debarment Files) to incorporate a comment received from the public, to update a GSA system referenced within the notice, and to add two new routine uses to SOR 21.

System 21 - Loan System.

SBA is updating the routine use provisions of its Privacy Act Systems of Records, Loan System, SBA 21 ("SOR 21") to incorporate a comment received in response to the March 16, 2012 notice published in the Federal Register. In the March notice SBA added paragraphs "l," "m," and "n" to include Loan Agent review processes and additional regulatory processes, among other changes. SBA received one public comment regarding paragraph "m" and is revising SOR 21 to incorporate that comment. Specifically, SBA will revise paragraph "m" to provide that SBA may publish Loan Agent suspensions, revocations and exclusions under 13 CFR Part 103 not only in the Excluded Parties List System ("EPLS"), but also on SBA's website. In addition, SBA is updating paragraph "m" to refer to a "successor system" to the EPLS.

SBA is also revising SOR 21 to add a new routine use paragraph “o” to provide for the transfer of delinquent debt information for publication in a government-wide computer information system(s). SBA and its authorized lending institutions would be able to search this system to prescreen applicants for loans or loans guaranteed by the Federal government to ascertain if the applicant is delinquent in paying a debt owed to or guaranteed by the Government. This information will allow participating Federal agencies and approved private lenders acting on the Government’s behalf to better monitor their credit programs and to reduce the credit extended to individuals with outstanding delinquencies on debts owed to SBA and other Federal agencies.

Finally, SBA is revising SOR 21 to add a new routine use paragraph “p” to allow transfer of loan information to Federal or state agencies for the purpose of identifying, preventing, or recouping improper payments to an applicant for, or recipient of, Federal funds, including funds disbursed by a state in a state-administered, federally funded program. Government agencies, including but not limited to SBA, would be able to search this system. This transfer of information is authorized pursuant to the Improper Payments Elimination and Recovery Act of 2010, Executive Order 13520, and Executive Memorandum dated June 18, 2010, which required agencies to review existing databases known collectively as the “Do Not Pay List” before the release of any Federal funds. The purpose of the “Do Not Pay List” is to help prevent, reduce and stop improper payments from being made, and to identify and mitigate, fraud, waste and abuse.

#### SBA System 36 – Suspension and Debarment Files.

SBA is updating the System of Records for Suspension and Debarment Files, SBA 36, (“SOR 36”), to incorporate a comment received in response to the March 16,

2012 notice published in the Federal Register. In the March notice, SBA added paragraph “o” to provide for publication of enforcement actions and exclusions in the GSA EPLS. SBA received a public comment regarding paragraph “o” and is revising SOR 36 to incorporate that comment. Specifically, the update to paragraph “o” in SOR 36 will allow SBA to publish suspension, debarments, other enforcement actions, and exclusions by SBA not only in the EPLS but also on SBA’s website. In addition, SBA is updating paragraph “o” to refer to a “successor system” to the EPLS.

SYSTEM NAME: Loan System – SBA 21

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES: These records and information in the records may be used, disclosed, or referred:

“m – To GSA and the public for publication of Loan Agent suspensions, revocations and exclusions under 13 CFR Part 103 in the Excluded Parties List System (or successor system) and on the SBA website consistent with Executive Order 12549 and other applicable law.”

“o – To the Department of Housing and Urban Development or other Federal agency for publication of delinquent debt information of persons delinquent in paying a debt owed to or guaranteed by the SBA on a system to allow searches by participating Government agencies and approved private lenders, consistent with applicable law.”

“p – to (a) a Federal or state agency, its employees, agents (including contractors of its agents), approved private lenders acting on the Government’s behalf, or contractors, or (b) a fiscal or financial agent designated by the Department of the Treasury, including employees, agents or contractors of such agent, for the purpose of identifying, preventing,

or recouping improper payments to an applicant for, or recipient of, Federal funds, including funds disbursed by a state in a state-administered, Federally funded program.”

SYSTEM NAME: – SUSPENSION AND DEBARMENT FILES—SBA 36

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES: These records and information in the records may be used, disclosed or referred:

“o. To GSA and the public for publication of suspensions, debarments, other enforcement actions, and exclusions by SBA in the Excluded Parties List System (or successor system) and on the SBA website pursuant to Executive Order 12549 and other applicable law.”

Date: September 27, 2012

Gene Stewman  
Acting Director, Office Financial Assistance

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